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RETURN TO:

JH EDCO Title & Closing Services
6510 Stage Road, Suite 1
Bartlett, Tennessee 38134
File # 120682FSCU

Indexing Instructions: Lot 57, Phase I, Hernando Hills Subdivision, Sections 6 & 7, Township 3 South, Range 7 West, DeSoto County, Mississippi, Plat Book 31, Page 16.

LENDER/GRANTOR:

First South Credit Union
6471 Stage Road
Bartlett, Tennessee 38134
901-380-7530
N/A

BORROWER/GRANTEE:

Gary L. Cannon and wife, Diane E. Cannon
425 Augusta Drive
Hernando, Mississippi 38632
901-380-7530
N/A

LOAN MODIFICATION AGREEMENT

THIS LOAN MODIFICATION AGREEMENT made and entered into the 30th day of August, 2012, by and among Gary L. Cannon and wife, Diane E. Cannon ("Borrowers/Grantees") and First South Financial Credit Union ("Lender/Grantor"), amends Promissory Note (the "Note") and the Deed of Trust (the "Security Instrument") both dated May 17, 2010, recorded in Book 3170, Page 193, in the Office of the Chancery Clerk of DeSoto County, Mississippi, which covers the real property described in said Deed of Trust and defined therein as the "Property", the real property described as:

Lot 57, Phase I, Hernando Hills Subdivision, Sections 6 & 7, Township 3 South, Range 7 West, as shown on plat of record in Plat Book 31, Page 16, in the Register's Office of DeSoto County, Mississippi to which plat reference is hereby made for a more particular description of said property.

Property Address: 425 Augusta Drive, Hernando, Mississippi 38632

In consideration of the mutual premises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Note or Security Agreement):

1. The original principal indebtedness under the Note and Security Agreement was **Ninety Eight Thousand Five Hundred and 00/100 Dollars (\$98,500.00)**.
2. That the Note evidencing the indebtedness to the Lender and the Security Instrument are hereby modified to reflect a new maximum principal indebtedness evidenced by the Note and secured by the Security Instrument to **One Hundred Nine Thousand Two Hundred and 00/100 Dollars (\$109,200.00)**.
3. That the interest rate as evidenced in the note is **4.990%** and is now modified to **3.490%**.
4. That the payment as evidenced in the note is **\$1,044.26** and is now modified to **\$1,079.32**.
5. The first payment date under this modification will be **October 1, 2012**.
6. That the maturity date as evidenced in the Note and Security Instrument is **June 1, 2020** and is now modified to **September 1, 2022**.
7. The disbursement date of this modification shall be **September 5, 2012**.
8. The lien of the Deed of Trust is hereby so modified that the same shall not be barred by any applicable statute of limitations until ten (10) years from the maturity Date of the Note as set forth hereinabove, and the lien of the Deed of Trust unless sooner released by Bank shall remain in full force and effect and unimpaired for a period of ten (10) years from the date of the maturity of the Note.

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DC

9. That any and all other loan agreement(s) or other agreement or documents governing the terms and conditions of the borrowing affected hereby, including, but not limited to, any UCC-1 Financing Statements, are hereby modified to reflect the change in the terms as set forth herein.
10. The Borrower also will comply with all other covenants, agreements, and requirements of the Security Instrument, including, without limitation, the Borrower's covenants and agreements to make all payment of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that the Borrower is obligated to make under the Security Instrument.
11. All terms and provisions of the Note and Security Instrument (if any) providing for, shall remain the same.
12. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument. Except as otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and the Borrower and Lender will be bound by, and comply with, all of the terms and provisions hereof, as amended by this Agreement.
13. In consideration of the modification granted herein, Borrower promises to pay said indebtedness, to keep and perform all of the covenants, terms and conditions contained in any deed(s) of trust, mortgage(s), deed(s) to secure debt, note(s), loan agreement(s) or other agreement or document governing the terms and conditions of the borrowing affected hereby, in default of which the holder of said indebtedness at its option, may declare said indebtedness accelerated and matured for all purposes, and may proceed to foreclose on any of the collateral held to secure same, or to exercise at its option any right or privilege granted in any of said agreements or documents or by law.
14. The terms, covenants and conditions of any such agreement or document, and of any note(s) are hereby incorporated herein by reference. It is expressly understood and agreed that the terms, covenants and conditions of all instruments evidencing or securing the aforesaid indebtedness shall remain in full force and effect, and shall in no manner be affected by the execution of this agreement except as the same are expressly extended or modified herein.
15. This agreement shall be binding upon and insure to the benefit of the parties hereto, their respective heirs, next of kin, successors, assigns, transferees and grantees.



IN WITNESS WHEREOF, the parties hereunto have executed this agreement as of the day and year first above written.

BORROWER/GRANTEE:

[Signature]
Gary J. Cannon
[Signature]
Diane E. Cannon

LENDER/GRANTOR:

By: [Signature]
Title: Vice President

STATE OF TENNESSEE; COUNTY OF SHELBY

Before me, a Notary Public in and for said State and County, duly commissioned and qualified, personally appeared Gary J. Cannon and Diane E. Cannon, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that he/she/they executed the same as his/her/their free act and



and Notarial Seal at office this 30th day of August, 2012.

[Signature]
Notary Public

STATE OF TENNESSEE; COUNTY OF SHELBY

Before me, the undersigned notary public of the State and County mentioned, personally appeared Jessica Campbell, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon his oath, acknowledged himself to be the VP of First South Financial Credit Union, the within named bargainer, a corporation, and that as such VP, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation, by himself as VP.

WITNESS my hand and Notarial Seal at office this 30th day of August, 2012.

My Commission Expires:

[Signature]
Notary Public

